

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF JESSAMINE COUNTY)	
WATER DISTRICT NO. 1 FOR THE INCREASE)	
AND ESTABLISHMENT OF ITS SERVICE)	CASE NO. 94-349
CONNECTION FEES)	

O R D E R

On September 19, 1994, Jessamine County Water District No. 1 ("Jessamine No. 1") filed an application with the Public Service Commission ("Commission") requesting authority to increase its 5/8 X 3/4 inch service connection fee from \$375 to \$500, its 1 inch service connection fee from \$600 to \$675, its 1-1/2 inch service connection fee from \$900 to \$1,000, and to establish a 2 inch service connection fee of \$1,250. With its application, Jessamine No. 1 provided cost justification for each fee consisting of meter installation from Stephenson Construction Company, cost of the meter itself, and administrative costs of \$40 per service connection.

Given that details of the average administrative cost for meter installations must be provided in order to conduct an adequate review, the Commission required Jessamine No. 1 to provide a breakdown of the administrative costs involved in providing service connections to its customers.

In response to the Commission's October 14, 1994 Order, Jessamine No. 1 did not provide adequate information to justify approval of the \$40 administrative expense component. Jessamine

No. 1, however, did provide in its initial application information sufficient to justify approval of the fees to include only the actual cost of the meter and installation by Stephenson Construction Company.

IT IS THEREFORE ORDERED that:

1. Jessamine No. 1's proposed service connection fees be and they hereby are denied.

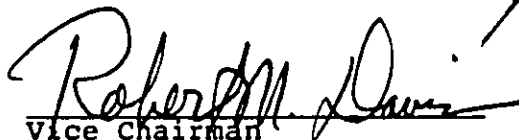
2. Jessamine No. 1's service connection fees shall include only the actual cost of meters and the cost of installation by Stephenson Construction Company as filed in the original application. The service connection fees set out in Appendix A shall be effective for services initiated on and after the date of this Order.

3. Within 30 days of the date of this Order, Jessamine No. 1 shall file its revised tariff setting out the rates approved herein.

Done at Frankfort, Kentucky, this 1st day of November, 1994.


PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman

ATTEST:


Executive Director


Commissioner

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 94-349 DATED November 1, 1994

The following rates and charges are prescribed for the customers in the area served by Jessamine County Water District No. 1. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the effective date of this Order.

Service Connection Fees

5/8 X 3/4 inch service	\$400
1 inch service	\$605
1-1/2 inch service	\$900
2 inch service	\$1,170